

STATE OF MAINE
OFFICE OF SECURITIES
121 STATE HOUSE STATION
AUGUSTA, ME 04333

IN RE:

Paul J. Pombriant

NOTICE OF INTENT TO REVOKE
AN AGENT LICENSE AND CENSURE
HIM OR BAR HIM FROM
ASSOCIATION
06-066

ALLEGATIONS

1. Paul J. Pombriant (CRD # 2313305) is an individual who has been licensed in Maine as a sales representative or agent since at least 1993. His last known address is 460 Main Street, 3rd Floor, Lewiston, Maine 04240.
2. From April 15, 1993 to March 31, 2006, Pombriant worked as a sales representative or agent at the Lewiston, Maine, branch office of Investacorp, Inc. ("Investacorp").
3. On February 22-23, 27 and March 7, 2006, the Maine Office of Securities (the "Office") conducted an examination of the Lewiston branch office of Investacorp.
4. On February 23 the examiners attempted to review Pombriant's client files, which were in his apartment in the same building as the Lewiston branch office of Investacorp. Pombriant refused to allow the examiners into his apartment to review his brokerage files and soon thereafter left the building.
5. On March 7, after all of Pombriant's client files had been moved out of his apartment, the examiners reviewed the files and determined that a majority were missing.
6. When the examiners informed the branch manager, Michael Poulin ("Poulin"), that most of Pombriant's client files were missing, he told the examiners that he had recently archived a number of files in the basement of the building. Poulin had archived them after Pombriant had identified the files as old client files that Pombriant planned to destroy. A review of these files by the examiners revealed that they were current client files of Pombriant. The examiners also determined

that 11 client files still were missing. Furthermore, Investacorp was unable to locate new account forms for 41 of Pombriant's clients.

7. Pursuant to 32 M.R.S.A. § 16411(4), the Office has authority to conduct an audit or inspection without prior notice and agents are required to make their records available to the administrator. Pombriant's refusal to allow the examiners access to his office to conduct an audit is grounds for taking disciplinary action. 32 M.R.S.A. § 16412(4)(H).
8. A broker-dealer like Investacorp is required to make and maintain certain books and records as required by the federal Securities Exchange Act of 1934. In order to meet that requirement, Investacorp required Pombriant to maintain client files with certain records. Pombriant's failure to maintain client files and his stated intent to destroy current client files constitute unlawful conduct or unethical practice in the securities business. 32 M.R.S.A. § 16412(4)(M).
9. Pursuant to 32 M.R.S.A. §§ 16412(2), (3), and (7), an order of the Securities Administrator may, after notice and opportunity for hearing, revoke the license of a licensee and censure or impose a bar on a licensee if the Securities Administrator finds that the order is in the public interest and that 32 M.R.S.A. §§ 16412(4) authorizes the action.

NOTICE

Notice is hereby given that the Securities Administrator intends to issue an Order to Revoke an Agent License and Censure Him or Bar Him from Association under 32 M.R.S.A. § 16412.

If Pombriant wants to request a hearing in this matter, he must do so in writing within thirty (30) calendar days of the date of this Notice of Intent. 32 M.R.S.A. § 16412(7).

Date: May 18, 2006

s/Michael J. Colleran

Michael J. Colleran
Securities Administrator

Approved by:

Date: May 18, 2006

s/Bonnie E. Russell
Bonnie E. Russell
Assistant Securities Administrator

Presented by:

Date: May 18, 2006

s/Jacqueline M. Drouin
Jacqueline M. Drouin
Investigator / Examiner